

MONTANA LEGISLATIVE HISTORY

Chapter 250 19 74

Bill H 460 S \_\_\_\_\_

Original bill & history    C

H. Committee on Taxation

Hearing Date(s) Mar 08 ☒ C

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Date Out Mar 08 ☒ C

S. Committee on Taxation

Hearing Date(s) Mar 14 ☒ C

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Mar 14 ☒ C

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Did this bill originate in an interim committee?    Yes    No

Committee \_\_\_\_\_

Report \_\_\_\_\_

March 8, 1974

TAXATION COMMITTEE (Executive Session)

The House taxation committee was called to order by Chairman Robert D. Watt at 8:18 a.m., with fourteen members present. John Healy was excused.

Rep. Fagg, original sponsor of HB73 - a resolution of the House of Representatives of the state of Montana requesting the Department of Intergovernmental Relations or the Department of Planning and Community Development, if it is created, in cooperation with the Department of Revenue to explore ways in which rural counties, school districts and communities can be assisted in meeting the increase in local governmental services required in areas where major industrial or commercial development is taking place or is about to take place, and to obtain such federal and other funds as may be available for such a study or for assistance; and requesting the governor to assist in the obtaining of federal and other funds - moved that it BE ADOPTED as a committee resolution and his motion carried unanimously.

The next bill to be acted on for the day was HB460, sponsored by Rep. Cox - a bill which as originally written would create revenue from the levy of a severance tax on coal for the purpose of support of county government. However, Rep. Ulmer from the taxation committee had amendments prepared to the bill which would provide an increase in the coal allocation to counties of the license tax to three cents (\$.03) from one cent (\$.01), and the amendments will appear with these minutes. In the discussion period which followed Rep. Ulmer's explanation of the amendments, Rep. Edland asked if the bill's purpose as amended would be to take money from the state's share of the coal tax and distribute a certain proportion to the coal producing counties, to which Rep. Ulmer answered that that is the purpose behind the amended bill. After a bit more discussion concerning the bill, Rep. Ulmer moved that it be amended according to his recommendations, and his motion carried unanimously. He then moved that as amended, the bill DO PASS, and that motion also carried unanimously.

House Resolution 45, sponsored by Rep. Ulmer, was the next bill to be acted on, and it would direct the House taxation committee to commence investigation into the feasibility and value of a multistate tax approach to coal taxation. After discussion concerning the

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testimony in opposition to the bill as did Mr. Kirkpatrick.

This ended the opponents' testimony and in rebuttal Representative Driscoll said the bill had been studied for some years and he thought it a fair bill.

Representative Brand mentioned further that he had an amendment to the bill, should the committee see fit to pass it.

~~He was questioned by the committee about the length of time~~ it had taken for the bill to reach the Taxation Committee and he stated it had been in a Sub-Committee for approximately 40 days.

Ms. Satterthwaite also gave brief testimony in regard to questions raised concerning taxing of timber on Indian reservations.

**CONSIDERATION OF HOUSE BILL 799:** Representative Swanberg introduced his bill, regarding depreciation on equipment as well as machinery, as the law now states. He said he had consulted with the Department of Revenue and the 10% figure was arrived at by trying to come up with a figure that would be fair for long-lasting machinery as well as those that have short-term serviceability.

Mr. Morrison made a brief comment on the bill and said the Department had also taken a look at the equipment at Colstrip in order to arrive at the 10% figure. He mentioned the fact that some machinery might have longevity of perhaps 25-30 years whereas a motor or similar equipment could be expected to last only a year or slightly more.

Mr. Hooks testified also and said he was really not an opponent of the bill, but he said the coal companies' trucks do not last 10 years, therefore he would like to see an amendment to that portion of the bill.

There followed discussion on this bill and several others previously heard.

**DISPOSITION:** Senator Turnage. MOVED HOUSE BILL 906 BE NOT CONCURRED IN. Motion was seconded by Senator McKeon and motion was carried unanimously.

**CONSIDERATION HOUSE BILL 460:** Representative Cox introduced his bill which increases the amount paid from the coal mined from 1¢ to 3¢ per ton. This money would go into the county's general fund and thus the counties would get more benefits from the tax in order to repair roads, etc.

There followed discussion on the bill and several questions from the committee.

The committee also discussed House Bill 981, previously presented at a meeting. This bill reduced the price of gasoline which contained grain alcohol derivative. Senator McGowan introduced data that had been compiled on this subject by the University and said that there is potential need for development of such a form of energy, particularly during the shortage of energy. The committee agreed there is a need for such legislation but at this time it would be perhaps premature to begin this program, also mentioning the fact that alcohol can be produced from substances other than grain and the bill specifies grain alcohol only. The committee stated they had no wish to kill the bill.

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if by doing so they discouraged further research in the matter.

Following consideration of other bills the following dispositions were made:

DISPOSITION: Senator Turnage MOVED TO ADOPT THE AMENDMENTS TO HOUSE BILL 799. Motion was seconded by Senator McKeon and motion carried.

Senator Turnage then MOVED HOUSE BILL 799 BE CONCURRED IN AS AMENDED. Motion seconded by Senator McKeon and motion was carried.

Senator Broeder MOVED HOUSE BILL 460 BE CONCURRED IN. The motion was seconded by Senator Bennett and motion carried. It was noted for the record that Senators McGowan and McKeon voted "No".

CONSIDERATION OF SENATE RESOLUTION 75: Senator Devine presented his resolution saying that after some 40 years it was felt that the liquor laws needed some study and this resolution would fund such a study.

DISPOSITION: Senator Turnage MOVED SENATE RESOLUTION 75 BE ADOPTED. Senator McGowan seconded the motion; motion carried.

CONSIDERATION OF SENATE RESOLUTIONS 73 and 76: The resolutions were studied by the committee members who had discussed them previously.

DISPOSITION: Senator McGowan MOVED SENATE RESOLUTION 73 BE ADOPTED. Senator Turnage seconded the motion; motion carried.

Senator Turnage MOVED SENATE RESOLUTION 76 BE ADOPTED. Senator McGowan seconded the motion and motion carried.

ADJOURN: Senator Turnage moved the meeting adjourn; this was seconded by Senator Bennett and meeting adjourned at 9:30 a.m., to reconvene during the date at the call of the Chairman.

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5:50 P.M., March 14, 1974

The meeting was called to order by Chairman Nees and all members answered roll call with the exception of Senators McKeon, Manning and Mathers.

CONSIDERATION OF HOUSE BILL 305: Chairman Nees asked the witnesses at the meeting if they cared to give testimony on either this bill, or the Senate Bill 748, a comparable bill. The bill, on an honorarium for the Vietnam veterans, calls for a referendum to be voted on by the people. House Bill 305 would be funded during the first year from the General Fund.

The witnesses present included Kevin Maguire, Robert J.

(4) Upon completion of the application of registration, in quintuplicate, on forms furnished by the registrar of motor vehicles, the county treasurer shall issue to the applicant two copies of the application marked "owner's certificate of registration," one of which shall be marked "file copy," and forward one copy and the application to the registrar of motor vehicles, who shall cause to be entered the information contained in the application upon the corresponding records of his office, and shall furnish the applicant a certificate of ownership, which shall contain the information found on the registration, and the owner shall, at all times, retain possession of the certificate of ownership, except when the same is being transmitted to and from the registrar of motor vehicles for endorsement or cancellation.

(5) Upon application for an owner's certificate of registration, a fee of two dollars (\$2) shall be paid to the county treasurer, one-half (½) of which fee shall be forwarded by the county treasurer to the registrar of motor vehicles.

(6) Before a registration decal may be applied for pursuant to the laws of this state, the owner must present the owner's certificate of ownership, or copy of completed application therefor, as a prerequisite to completing the application for the registration decal."

Section 2. Section 53-1025, R.C.M. 1947, is amended to read as follows:

**"53-1025. Display of tax-paid decals on snowmobiles required — application and issuance.** (a) No snowmobile shall be operated by any person in the state of Montana unless there is displayed in a conspicuous place thereon a decal as visual proof that Montana personal property taxes have been paid thereon for the current year. Application for the issuance of such tax-paid decal shall be made to the county treasurer upon forms to be furnished for this purpose, which may be obtained from the *registrar of motor vehicles* or at the county assessor's office in the county wherein the owner resides, and is to provide for substantially the following information: name of owner, address, registration number, name of manufacturer, model number, make, horsepower, year of manufacture, statement evidencing assessment, payment of property tax, and such other information as the *registrar of motor vehicles* may require. Said application shall be signed by the county treasurer and transmitted by him to the *registrar of motor vehicles* accompanied by a fee of two dollars (\$2). All moneys collected from payment of such fees shall be turned over to the state treasurer and placed by him in the earmarked revenue fund to the credit of the state fish and game commission, with one dollar (\$1) designated for use in enforcing the purposes of this act and one dollar (\$1) designated for use in developing snowmobile facilities. Upon receipt of the application in approved form the *registrar of motor vehicles* or county treasurer shall issue to the applicant a decal in the style and design prescribed by the *registrar of motor vehicles* and of a different color than the preceding year, numbered numerically.

(b) *Before filing the application with the county treasurer, the applicant shall submit the same to the county assessor of the county and the county assessor shall enter on the application in a place provided for that purpose,*

*the full and true and assessed valuation of the snowmobile for the year for which the application is made.*

*(c) The applicant shall pay the county treasurer the application fee and shall also pay the personal property taxes assessed against the snowmobile for the current year before the application for registration or reregistration may be accepted by the county treasurer."*

Section 3. Section 53-1026, R.C.M. 1947, is amended to read as follows:

**"53-1026. Application to be made annually. Application must be made to the county treasurer** for the issuance of tax-paid decals annually. *All tax-paid decals expire on December 31 of the year in which they are issued and application for the issuance of a tax-paid decal must be filed with the county treasurer not later than January 31 of each year."*

Approved March 21, 1974

## CHAPTER NO. 250

AN ACT TO INCREASE THE ALLOCATION FROM THE COAL LICENSE TAX FOR THE PURPOSE OF SUPPORT OF COUNTY GOVERNMENT; AMENDING SECTION 84-1309.1, R.C.M. 1947; AND PROVIDING AN EFFECTIVE DATE.

*Be it enacted by the Legislature of the State of Montana:*

Section 1. Section 84-1309.1, R.C.M. 1947, is amended to read as follows:

**"84-1309.1. Disposal of license taxes.** License taxes collected under the provisions of this chapter are allocated as follows:

(1) To the county general fund from which coal was mined *three cents (3¢)* per ton.

(2) All other revenues from license taxes collected under the provisions of this chapter shall be deposited to the credit of the general fund of the state."

Section 2. This act is effective on its passage and approval.

Approved March 21, 1974

## CHAPTER NO. 251

AN ACT AMENDING SECTIONS 75-6317, 75-7201 AND 75-7202, R.C.M. 1947; TO REPEAL THE ELEMENTARY AND HIGH SCHOOL TUITION SCHEDULES; AND TO ESTABLISH THE ANNUAL